

Agenda Date: July 28, 2004

Item Number: A2

Docket: UW-041182

Company Name: Transitions Water Services, LLC

Staff: Jim Ward, Regulatory Analyst

Recommendation:

Allow the revised tariff revisions filed by Transitions Water Services, LLC, in Docket UW-041182, to become effective August 1, 2004.

Discussion:

On June 30, 2004, Transitions Water Services, LLC, (Company) filed to revise its tariff to reflect a general rate increase and restructure rate design. The filing would generate an additional \$10,513 (56%) annually. On July 23, 2004, the Company filed revised rates that would generate an additional \$4,516 (24%) annually. The company serves approximately 74 active customers on the water system known as Spanaway 192nd water system in Pierce County. The Company came under regulation December 16, 2003.

The Company stated it is filing to increase rates to generate additional revenue to recover its full cost due to changes in operations, now that services are provided by Utility Management Services.

The tariff revision implements a second block rate for water service. This rate design encourages conservation and ensures that all users would only pay for the actual water used at appropriate cost. Currently the Company has about 74-metered customers.

The Commission received two comments from customers opposed to the rate increase. The proposed increase would result in an average increase of \$11.84 per month to each customer. The current and proposed rates are provided below:

<u>Monthly Rate</u>	<u>Current</u>	<u>Proposed</u>	<u>Revised</u>
Flat Rate	\$ 30.00	\$ 33.91	\$ 27.26
Metered Rate Service			
3/4 inch service	\$ 12.50	\$ 23.93	\$ 14.50
1 inch service	\$ 12.50	\$ 40.68	\$ 24.65
Per 1 cubic foot 0 to 925 cu. ft.	\$ 0.010	\$ 0.011	\$ 0.010
Per 1 cubic foot over 925 cu. ft.	\$ 0.010	\$ 0.0165	\$ 0.015

Conclusion

The Company has demonstrated that the proposed rates are fair, just, and reasonable. Therefore, Staff recommends that the Commission Allow the revised tariff revisions filed by Transitions Water Services, LLC, in Docket UW-041182, to become effective August 1, 2004.